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3) Prime Minister's Official Residence (Kantei)

Prime Minister's schedule, April 10

NIKKEI (Page 2) (Full)
April 11, 2008

09:33

Met Marshall Islands President Tomeing at the Kantei.

10:13

Met Chief Cabinet Secretary Machimura. Later met Special Advisor Ito. Followed by METI Vice Minister Kitabata, Natural Resources and Energy Agency Director General Mochizuki, Finance Ministry International Affairs Bureau Director General Tamaki, and Assistant Deputy Chief Cabinet Secretary Saka.

13:14

Arrived at his official residence.

14:30

Met Cabinet Intelligence Director Miki.

15:03

Met Science and Technology Minister Kishida, Science and Technology Policy Council member Masuo Aizawa, Cabinet Office Vice Minister Uchida, Saka, and others. Kishida and Saka stayed behind. Later, Met National Police Agency Deputy Director General Ando.

17:03

Met Foreign Ministry European Affairs Bureau Director General Harada, Economic Affairs Bureau Director General Otabe, Disarmament and Science Department Head Nakane, and Ando. Attended a meeting of the Science and Technology Policy Council.

18:38

Met Secretary General Ibuki, Executive Council Chairman Nikai, Policy Research Council Chairman Tanigaki, Election Committee Chairman Koga, and Machimura.

19:44

Attended a study meeting on foreign policy with National Defense Academy President Iokibe and others at his official residence, with JICA President Sadako Ogata present.

4) Food shock - Voices from overseas (part 1): Interview with U.S. Ambassador to Japan Thomas Schieffer: U.S. principle is not to place restrictions on exports

YOMIURI (Page 9) (Full)
April 11, 2008

The rate of food self-sufficiency for Japan has fallen to 39 PERCENT, making it the lowest among advanced industrialized countries. Moreover, concern has heightened about the safety of imported foods, and the country has been hit by a wave of soaring food prices. How

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is Japan's food problem seen by foreign eyes? We ask concerned parties (in this series), starting with U.S. Ambassador to Japan Thomas J. Schieffer:

Japanese farmers are aging. Unless the number of people involved in agriculture does not increase, Japan's (food) situation will likely worsen. I think the way to resolve this is by Japan further opening its agricultural market. Agriculture is the most protected area in the global economy. Japanese consumers are paying higher prices for food than they need to. The more the market is opened, the more prices will drop.

There are many Japanese who have experienced hunger during World War II, so the emphasis on food security is understandable. However, the economy has globalized, and today, there is a much richer variety of foods than in the 1960s and '70s. In today's world, it is impossible for a country to self-produce all of its food.

The U.S. has a principle of not placing restrictions on exports. We learned a lesson from the embargo on soybeans (due to a crop failure in the 1970s) that export restrictions neither fill political needs nor market needs. The United States, Canada, and Australia are the world's most advanced democracies and practice free trade. Japan need not fear that food would be used (as a threat through such measures as embargoes).

Restrictions on food safety must be led by science. Japan has restricted the importation of beef to cows that are under 20 months of age, but this import condition is not based on science but is a decision based on a political viewpoint. Based on the OIE standards, removing the age limit would be a better solution from the long-term perspective.

The world can produce sufficient food supplies by applying new technologies. One example of that is genetic modification. When I was a child in the 1950s and '60s, the world's population was growing at an amazing pace, and it was feared that there would not be enough food supply. However, in reality, because of technological innovation, such a situation will not happen.

5) British prime minister asks Prime Minister Fukuda for G-8 cooperation to deal with rising food prices

TOKYO SHIMBUN (Page 3) (Full)
April 11, 2008

Hiroshi Hoshi, London

British Prime Minister Gordon Brown yesterday sent Prime Minister Yasuo Fukuda, who is to host the upcoming Group of Eight (G-8) Toyako Summit in Hokkaido, a letter calling on the G-8 to work together with the United Nations and the World Bank to take action to deal with soaring food prices as quickly as possible.

In the letter, Brown paid attention to the expansion of the starving population and riots that occur in various locations across the world and suggested the need to further help developing countries and examine the impact of a radical shift from food production to biofuel production.

United Nations Under Secretary General for Humanitarian Affairs John Holmes also told a press conference on April 8 that the annual

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number of large disasters doubled from 200 to 400 over the past two decades, and that there has been a serious impact on food production.

Holmes emphasized that climate change has had a serious impact on food production and pointed out that food prices rose nearly 40 PERCENT over the past several months. He continued: "Riots over food are spreading across the world. We must not underestimate the impact of soaring food prices on security."

6) Pro-China Fukuda diplomacy clouded

TOKYO SHIMBUN (Page 2) (Full)

April 11, 2008

There is now a spread of backlashes against China's Tibet policy, with protesters trying to disrupt the Beijing Olympic torch relay in various countries. This is casting a shadow on Prime Minister Yasuo Fukuda's proactive China diplomacy. Fukuda insisted on a peaceful settlement of the Tibet issue through dialogue. In fact, however, Fukuda is now being bound hand and foot in his efforts to improve ties with China.

"There are no plans for any government officials to meet with him," Chief Cabinet Secretary Nobutaka Machimura told a news conference yesterday when the 14th Dalai Lama, the supreme leader of Tibetan Buddhism, stopped over in Japan.

Japan would unavoidably irritate China if anyone in the Japanese government had met with the Dalai Lama.

The Foreign Ministry was also careful about its wording to explain why the government had no plans to meet with the Dalai Lama. "We're responding while considering various factors in a comprehensive manner," a Foreign Ministry spokesman said.

"The Chinese government is also making efforts. We should not say we will not participate in the Olympic Games." With this, Fukuda has so far refrained from criticizing China.

Some lawmakers in the ruling Liberal Democratic Party are calling for Fukuda to boycott the opening ceremony of the Beijing Olympics. Fukuda said: "Japan has such close relations with China. We should make a coolheaded judgment."

Aside from such a standpoint of the Japanese government, however, China has drawn unexpectedly strong criticism in the international community. On Apr. 9, British Prime Minister Brown announced that he would not participate in the opening ceremony of the Beijing Olympic Games.

Fukuda will meet with French Prime Minister Fillon today. After that, Fukuda will meet with other foreign leaders during their visits to Japan. They include Chinese Foreign Minister Yang Jiechi, South Korean President Lee Myung Bak, and European Union President Barroso.

In early May, Fukuda will also visit the Group of Eight's European member nations. Shortly thereafter, Fukuda will meet with Chinese President Hu Jintao in Japan.

Fukuda has lost political momentum in the parliamentary turmoil over

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the road-related tax revenues and his nomination for the post of Bank of Japan governor, so he wanted to regain his footing by making his meetings with foreign dignitaries successful.

The problem, however, cannot be expected to calm down before Hu's visit to Japan. Moreover, Fukuda will host this year's G-8 summit at Lake Toya in Hokkaido, during which he could be asked by European leaders to show a resolute response toward the Chinese government.

On Apr. 26, the Olympic torch will come to Nagano City. "Everybody is looking forward to watching the relay. Violence is undesirable." This was all Fukuda could say.

7) Meeting press in Japan, Dalai Lama denounces interference with torch relay: "Use of violence is wrong"

ASAHI (Page 1) (Full)
April 11, 2008

The 14th Dalai Lama, Tibet's spiritual leader, yesterday met with the press at a hotel near Narita Airport during his stopover in Japan on his way from India, where he lives in self-exile, to the United States. When asked about interference with the torch relay for the Beijing Olympics, the Dalai Lama said: "It is all right to express their feelings, but the use of violence is absolutely unacceptable." The Dalai Lama stressed his support for China to host the Olympics and indicated his willingness to attend the opening ceremony of the Beijing Olympics if the Chinese side invites him to attend it.

The Dalai Lama answered questions in carefully choosing words but with humorously animated gestures.

Asked about the Chinese government's condemnation against him as a leader of the group aiming at Tibet's independence, the Dalai Lama rebutted: "China has Buddhism. I feel a sense of fellowship in terms of sharing the same belief." He went on to say: "It is not my desire to seek (Tibet's) independence. I think it is all right that Tibet is under China's control on the diplomatic and defense fronts. As part of China, we want to have autonomy over Buddhism, culture, education, and the environment."

When asked about the riots in Tibet that took place on March 11 and after, the Dalai Lama indicated his understanding by noting, "They are taken as a manifestation of (Tibetan people's) anger." As for the number of victims, the Dalai Lama said, "Hundreds of people died and thousands of people were jailed," revealing the great gap from the numbers released by Chinese authorities.

Ahead of the press conference, the Dalai Lama met with former Prime Minister Abe's wife, Akie, and House of Representatives member Seichi Ota, chair of the ruling Liberal Democratic Party's Commission on Human Rights Issues. According to Ota, the Dalai Lama asked for Japan's assistance in the area of medical care.

8) Dalai Lama meets with former Prime Minister Abe's wife Akie, says, "Tibet may disappear...."

SANKEI (Page 5) (Full)
April 11, 2008

Former Prime Minister Shinzo Abe's wife, Akie, yesterday afternoon

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met at a hotel in Narita City, Chiba Prefecture with the Dalai Lama, Tibet's spiritual leader, who was stopping over in Japan on his way to the United States, Akie conveyed her husband's message that went: "I offer my respect for your activities aimed at protecting the human rights of the Tibetan people. I deeply sympathize with the Tibetan people, given the current situation they are placed in. I will strive to help improve the state of human rights in Tibet."

The Japanese government has refrained from contacting the Dalai Lama, whom China blames for the riots in Tibet. Chief Cabinet Secretary Nobutaka Machimura only said, "The government has no plan

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for officials to meet with him." Despite Japan's excessive consideration given to China, compared with the United States and European countries, former Prime Minister Abe and Akie have now praised the Dalai Lama's human right activities. A favorable comment was heard about their stance from one Foreign Ministry official: "It was very good in the sense that Japan has demonstrated it is not a country that disregards human rights."

According to Mrs. Abe, the Dalai Lama expressed his gratitude in response to the former prime minister's message. Speaking of the increased number of Chinese people living in Tibet, the Dalai Lama

noted: "I am worried that if this situation continues for five or 10 years, Tibet may disappear. China is trying to 'Chinalize' Tibet. The Tibetans are becoming a minority in Tibet."

Furthermore, the Dalai Lama stressed, "At this point in time, I have no intention to call for Tibet's independence. I simply want to protect the lives, culture, and spirit of the Tibetan people." When asked about whether he is willing to have a direct dialogue with the Chinese government, the Dalai Lama said: "Of course. I am ready to do so anytime."

When asked about what he hopes to see Japan do for Tibet, the Dalai Lama said: "I expect Japan to provide assistance (to Tibet) in the area of medicine and medical treatment."

The same day, the ruling Liberal Democratic Party's (LDP) Research Commission on Human Rights Issue Chairperson Seiichi Ota also met with the Dalai Lama.

9) NPA eyes restricting torch disrupters' entry into country during Nagano relay

YOMIURI (Page 1) (Full)
April 11, 2008

In the wake of serious Beijing Olympic torch relay disruptions in Europe, the National Police Agency has decided to increase security for the relay in Nagano planned for April 26. With the aim of preventing radical activists from entering Japan, the NPA will also consider application of the hooligan provision of the Immigration Control and Refugee Recognition Law that bans individuals with arrest records from entering the country. China has sounded out Japan on dispatching to Nagano two security officers running parallel to the torch runners. The NPA, however, will ask China not to become directly involved in security that relates to Japan's sovereignty.

The NPA initially planned to mobilize about 500 Nagano prefectoral police officers and 1,000 private security guards along the torch relay course. But in anticipation of demonstrations by rightist

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groups with sound trucks and rallies by human rights groups, in addition to disruption attempts by foreign activists, the NPA has begun considering boosting security, for instance, by having riot police officers accompany the torchbearers during their relay.

Coordination is underway with immigration authorities to tighten passport control, while envisaging applying to radical European activists the hooligan provision that was added to the Immigration Control and Refugee Recognition Law during the 2002 World Cup soccer finals.

10) Overseas trip by Fukuda in May might be difficult

YOMIURI (Page 4) (Full)
April 11, 2008

The government has started coordination on a visit to Russia by Prime Minister Fukuda on April 25-27.

The government initially looked into the possibility of having him visit Britain, France and Germany during the Golden Week holidays. However, it is now likely that a bill to maintain the provisional gasoline tax rate will be brought back into the House of Representatives for a revote in late April. Given this, many officials now think it would be difficult for the prime minister to make an overseas trip in May.

11) Defense Minister Ishiba cancels planned Golden-Week trip to U.S.

YOMIURI (Page 4) (Full)
April 11, 2008

Defense Minister Ishiba has cancelled his trip to the United States

planned for May. He had planned to travel to Washington during May 3-6 and meet with Secretary of States Gates. However, in prior coordination, the U.S. side sought specific talks on the issue of the relocation of Futenma Air Station, while the Japanese side wanted to take up broader themes. Coordination broke down, so the defense minister decided to cancel the trip to the U.S.

12) Prime Minister Fukuda wants increase in ODA

YOMIURI (Page 4) (Full)
April 11, 2008

Attending a meeting last evening of the "Foreign Policy Study Group," a forum of influential persons, Prime Minister Fukuda expressed his strong desire to see an increase in the official development assistance (ODA) budget, which as continued to decline. He said: "We can't just let it continue to fall. We must do something (to boost it)."

13) Government, ruling parties confirm reallocation of road construction funds to general account starting in fiscal 2009; Agreement to be reached today

ASAHI (Page 1) (Excerpts)
April 1, 2008

Prime Minister Fukuda yesterday evening met with four top officers of the Liberal Democratic Party (LDP), including Secretary General

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Bunmei Ibuki, and ordered them to finalize on April 11 the government's and the ruling parties' proposal regarding special-purpose road construction revenues. The proposal is expected to incorporate a policy of shifting those revenues to the general account starting in fiscal 2009, while keeping the level of tax rates, including the provisional tax rate, intact. The prime minister intends to obtain Diet approval for tax code revision-related bills, now under deliberation, as is. However, regarding a revision of those bills in the next fiscal year and beyond, he will call on the opposition camp to agree to hold policy talks.

The meeting was joined by Chief Cabinet Secretary Machimura. The proposal of the government and the ruling parties will center on the following points, based on the prime minister's proposition made during the emergency press conference on March 27: (1) shifting special-account road construction revenues to the general account starting in fiscal 2009; (2) maintaining the tax rate level, including the provisional tax rate; and (3) speedy passage of the fiscal 2008 revenue bill. Giving consideration to some LDP members who are concerned about the impact of the proposal on road construction, the proposal will also mention that the construction of necessary roads will be carried out steadily.

Emerging from the meeting, Election Committee Chairman Makoto Koga, who has influence over road policy, told reporters, "Since the prime minister said that he would adopt that policy, I will follow his policy." The government and the ruling parties will hold a liaison council meeting on the afternoon of the 11th and reach a consensus on the prime minister's proposal. They will then call on the opposition camp to agree to hold policy talks.

Democratic Party of Japan Diet Affairs Committee Chairman Kenji Yamaoka met with his LDP counterpart Tadamori Oshima and conveyed to him that the DPJ will not insist on its previous call for a cabinet decision on the prime minister's proposal. The DPJ had made it a precondition for it to enter into talks with the ruling camp.

14) Interview with Taro Kono: I will rebel on revote on highway-related bill if there is no guarantee that all road tax revenues will be shifted into general account

ASAHI (Page 4) (Full)
April 11, 2008

-- Prime Minister Fukuda proposed shifting highway tax revenues to

the general account starting in FY2009.

Our plan compiled by mid-ranking and junior members proposed introducing the new policy five years from now, so the prime minister's proposal calling to adopt it starting next fiscal year is fully satisfactory. In the Liberal Democratic Party, though, there are members complaining of the proposal behind the scenes. It is necessary to come up with a definite plan.

-- The bill amending the law pertaining to financial sources for highway-related projects now under deliberation calls for placing only extra tax revenues that exceed expenses for highway construction and maintenance into the general account.

If the bill is brought back into the House of Representatives for a revote without a guarantee to incorporate all highway tax revenues

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into the general account, I will raise opposition. There are many LDP members who are against such an approach. More than 16 lawmakers calling for such a guarantee gathered together in late March. I hear there are more. If all of them are against it, the bill might be voted down.

--Do you think the provisional road-related tax rates should be maintained?

The major theme at the upcoming Lake Toya Summit is the issue of global warming. Despite this, if Japan decides to lower the gasoline tax rate, other countries might think Japan has no eagerness to address the issue. So I support the idea of taking an override vote in the Lower House to restore the provisional tax rate. Some suggest that Japan should introduce an environment tax instead of reviving the provisional tax rate, but if that is really necessary, money to finance environmental measures should be disbursed from the general account.

15) Dissatisfaction at policy of shifting road tax revenues to general account smoldering among LDP lawmakers lobbying for road construction industry; junior members supportive

ASAHI (Page 4) (Full)
April 11, 2008

The Liberal Democratic Party yesterday endorsed a new proposal made by Prime Minister Fukuda in late March to shift highway-related tax revenues to the general account starting in FY2009. The road-related policy clique in the Diet initially frowned on the agreement hastily concluded by the government and the ruling parties, but since a paper inserted the phrase that "necessary roads will be constructed," they laid down their arms.

Included among the party executives who gathered at the Prime Minister's Office last evening in response to a call by the prime minister were Election Committee Chairman Makoto Koga and Executive Council Chairman Toshihiro Nikai - lawmakers lobbying for the highway construction industry. When Fukuda presented a compromise plan, Koga promptly started talking on and on about the actual situation of roads in local areas and circumstances surrounding the road-related industries, according to informed sources.

After the party executive meeting, Koga told reporters: "We will properly accept the major trend of incorporating the tax revenues earmarked for highway-related projects into the general account." Although he spoke with an attitude of unconcern, when his car came for him, he pushed away the microphone held by a reporter and left. Nikai, surrounded by reporters, said: "It will be impossible to easily review massive highway-construction projects in ten days or one month. We must listen to views from local people."

In a special executive meeting held on the evening of April 9, after a one-on-one debate between Fukuda and Democratic Party of Japan (DPJ) President Ozawa, Koga told executive members in a threatening way after letting party staff members leave the room: "We all remain silent without saying what we want to say. If you get into further detail, we will explode in anger." Koga represented the

dissatisfaction of the road-policy clique in the Diet.

However, a number of medium-ranking and junior members of the LDP are calling on the leadership to endorse the prime minister's

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proposal. House of Councillors member Ichita Yamamoto of the Machimura faction said in a meeting of the Executive Council on the 8th: "The prime minister's policy of shifting highway tax revenues to the general account should be formally adopted." A senior member of the ruling camp's Diet Affairs Committee also stated: "If the policy is not endorsed, the administration will reach a dead end."

The lawmakers representing the highway construction industry are apparently feeling that although it is necessary to come to terms with the prime minister in order to support his administration, a significant compromise with the DPJ is unnecessary. Keeping such feelings in mind, a senior New Komeito member grumbled: "The DPJ is expected to decline our call for negotiations on revising the proposal, so there is no need to make any proposal to it. It is unnecessary to add anything to the prime minister's proposal."

16) DPJ proposes starting revision talks

NIKKEI (Page 2) (Full)
April 2, 2008

Democratic Party of Japan (DPJ or Minshuto) Diet Affairs Committee Chairman Kenji Yamaoka yesterday met his Liberal Democratic Party (LDP) counterpart Tadamori Oshima in the Diet. He during the meeting called on the LDP to respond to his party's proposal for holding revision talks on the level of diet affairs committee chairmen and policy research council chairmen of the ruling and opposition parties to discuss the special-purpose road construction revenues issue.

The DPJ has called for holding talks to revise the bills presented by the government during the current Diet session, based on an agreement between the ruling and opposition parties. However, the ruling parties and the opposition parties are wide apart on their perception of the issue, with the government and the ruling parties calling for holding policy talks at an early date to discuss a policy course that would reform road policy without revising the bills during the current Diet session.

It is viewed that the DPJ made that proposal to indicate a positive stance toward talks with the ruling parties, fending off criticism from the ruling parties as refusing such talks. Deputy President Naoto Kan underscored, "We are ready to respond to talks any time."

Vice President Katsuya Okada during a BS television program played up the proposal: "We will protect the abolition of the provisional gas tax rate as our achievement. If the government gets the bills through the Diet, it would be a lie that the prime minister proposed shifting road revenues to the general account." He indicated that revising the government-sponsored bills, including abolishing the provisional tax rate, would be essential. So even if the ruling and opposition parties entered into talks, there are no prospects at this point for them to reach an agreement.

17) Aso faction membership grows to 20; Aso one step close to running for LDP presidency

MAINICHI (Page 5) (Full)
April 11, 2008

The Aso faction led by Taro Aso, a former secretary general of the Liberal Democratic Party, at its general meeting yesterday admitted

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into the faction House of Representatives member Yoji Muto (Gifu No. 3 constituency) and House of Councillors member Tamon Hasegawa (Ibaraki electoral district), raising the faction's membership to 20. In order to run for the party presidency, one must have

recommendations from at least 20 other LDP lawmakers. Aso is now one step close to being able to run for the party presidency to succeed PM Fukuda without relying on other factions.

Including those two, the Aso faction now has 16 Lower House members and four Upper House members. The faction's membership has increased by five since its establishment in January 2007. A mid-level faction member said: "The greater factional strength will intensify policy discussions in the faction, and that will boost Mr. Aso's presence."

Recommendations from 20 LDP lawmakers are required to run for the LDP presidency in accordance with party rules. The Aso faction, however, has sent one member to the Election Administration Committee in past presidential elections. Given the situation, in order for Aso to win recommendations from 20 faction members, two more LDP lawmakers will have to join his faction, according to a senior Aso faction member.

18) LDP child porn panel decides to forgo regulating animation

MAINICHI (Page 5) (Full)
April 11, 2008

The LDP subcommittee on a review of the Law for Punishing Acts Related to Child Prostitution and Child Pornography, chaired by Mayumi Moriyama, decided yesterday to forgo regulating animated films and computer graphics sexually depicting characters who do not actually exist. Although the subcommittee has decided to criminalize the simple possession of pornographic images of minors, many expressed cautious views on animation, saying that no children have been victimized.

The New Komeito also intends to forgo regulating animation for a similar reason. With the Democratic Party of Japan also remaining cautious, the subject is likely to be removed from future nonpartisan talks on amending the law.

19) JAXA to overhaul Japan's satellites due to malfunctions

YOMIURI (Page 1) (Abridged)
April 11, 2008

The lunar probe Kaguya and other Japanese satellites have recently experienced minor malfunctions. In the wake of this, the Japan Aerospace Exploration Agency (JAXA) will check all 16 satellites currently in operation by gathering and analyzing troubles and failure data.

In the past four months, JAXA confirmed seven problems in five satellites. In January, problems occurred with the engineering test satellite Kiku 8 and the X-ray observatory satellite Suzaku. In February, the solar observatory satellite Hinode malfunctioned. In March, the ultrahigh-speed internet satellite Kizuna was also found to have problems. Last December, JAXA announced that Kaguya had something wrong with it. In April, JAXA revealed that Kaguya had had another problem. Due to the difficulties, Kaguya cannot observe the moon's radioelement distribution with its gamma-ray spectrometer.

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MESERVE